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MBK-0022

3 August 1981

MEMORANDUM FOR: Director, FBIS

THROUGH : Chief, Operations Group

SUBJECT : Monthly Report - Bangkok Bureau - July 1981

I. GENERAL

Citing severe economic and monetary pressures in Thailand and large international trade and payments deficits, the Bank of Thailand on 15 July devalued the Thai baht against the U.S. dollar by 8.7 percent. The surprise announcement came on the heels of a 1-percent devaluation in May and had immediate political repercussions. Threats of resignation, appeals for a devaluation pull-back and party fractionalization highlighted stormy Parliament debates on the decision. By month's end, the devaluation decision had become another rallying point for opposition leaders in calling for a reshuffle of Prime Minister Prem's cabinet.

The baht devaluation drew a mixed reaction within the bureau. On the management side, the nearly 10-percent gain in the dollar-baht exchange rate was welcomed and came in time to ease pressures on the FY-1981 budget and to review more accurately FY-1982 projections. On the other side, the bureau's ten Permanent Resident Aliens were less than enthusiastic with the decision and promptly sought means to protect their baht earnings that are necessarily changed into dollars each pay period.

Meanwhile, amid almost weekly rumors of a coup, Prem announced his resignation from the post of Army commander-in-chief. Press speculation has Army General Prayut Charumani as Prem's military successor, although dissent within the military over the recent amnesty of the April Fool's Day coup leaders could play a major role in the selection process and ultimate power struggle.

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- 2 -

MBK-0022

## II. OPERATIONS

A. Monitorial/Editorial

1. Although the bureau's overall wirefiled wordage declined slightly during the reporting period, monitors continued to be fully occupied with the rapid pace of developments involving the Indochinese and ASEAN countries. The PRK and SRV Assembly sessions and subsequent leadership announcements; the International Conference on Kampuchea, along with the expected Vietnamese, Lao and Cambodian denunciations; and the continuing efforts to formulate united fronts among a variety of factions opposing the regimes in Phnom Penh, Vientiane and Hanoi combined to make for a very interesting month and to keep editors and monitors alert to future developments.

2. As successor to the Voice of the Malayan Revolution, the clandestine Voice of Malayan Democracy began operating 1 July with a low-powered transmitter from a location apparently near the Thai-Malaysian border as roughly determined by antenna bearings both here and at Okinawa Bureau. In response to high-level interest in Headquarters, the BBC and the local Embassy, the bureau undertook a 3-week survey to determine content, repeat pattern and reception, wirefiling program summaries to Washington, the BBC and Okinawa. A memo summarizing our findings was requested by both the DCM [redacted]. Survey results showed that the propaganda line was similar to VOMR. Based on the repeat pattern, it was determined that coverage would be limited to three times weekly with wirefiled program summaries but that current reception precluded any meaningful processing.

## III. ADMINISTRATION

A. Personnel

1. An appropriate ceremony was held in mid-month to present Federal Service pins to five bureau employees. Recipients were [redacted]

[redacted]

2. Vietnamese monitor [redacted] began his EOT/redocumentation travel to the States on 26 July.

## IV. COMMUNITY ACTIVITIES

Following a series of going-away parties and receptions, Ambassador Morton I. Abramowitz departed Thailand 31 July. One of the most popular functions was a 24 July outdoor party on the Chancery grounds attended, among others, by some 20 bureau personnel. The bureau chief attended the official "departure" reception and a Country Team sendoff, at which the ambassador publicly expressed his high

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- 3 -

MBK-0022

appreciation for FBIS services over the past 3 years.



STA

Chief, Bangkok Bureau, FBIS

WRS:eep

Attachments:

- Engineering
- Production Report
- Production Report by Language, Country & Source
- Embassy Circuit Outage Report

Distribution:

C/Okinawa Bureau

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